LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **DECEMBER 5, 2006**, upon the application of **PEOPLES ENERGY PRODUCTION-TEXAS**, L.P.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Formation**, **Reservoir A**, in the Bethany-Longstreet Field, DeSoto Parish, Louisiana.

- 1. To authorize Applicant to drill, designate and utilize one (1) additional alternate unit well for HOSS RA SU2, four (4) alternate unit wells for HOSS RA SU4 and two (2) additional alternate unit wells for HOSS RA SU46, at the locations shown on the plat submitted with the application.
- 2. To approve an exception to the spacing provisions of Office of Conservation Order No. 289-A-g-3, effective October 7, 1977, for the location of any of the proposed wells, as shown on the plat submitted with the application, which does not comply with the spacing provisions contained in such Order.
- 3. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the hydrocarbons underlying the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on such unit.
- 4. To permit the Operator of the units on which these alternate unit wells are proposed to be drilled to produce the allowables assigned to such units from either the unit well, any alternate unit well, or from any combination of such wells, at the option of the Operator.
- 5. To consider such other matters as may be pertinent.

The Hosston Formation, Reservoir A, was initially defined in Office of Conservation Order No. 289, effective October 1, 1954, and was further defined in Office of Conservation Order No. 289-A-g-2, effective April 14, 1977.

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 11/17/06;11/23/06 S lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.